



Broadridge Financial Solutions, Inc.
1981 Marcus Avenue, Lake Success, New York 11042

516 472 5454 Phone 516 472 5014 Fax
www.broadridge.com

Richard J. Daly
Chief Executive Officer

richdaly@broadridge.com

October 2, 2007

Nancy M. Morris
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Dear Ms. Morris:

Broadridge Financial Solutions, Inc. appreciates the opportunity to comment on the Securities and Exchange Commission's proposed rules relating to Shareholder Proposals (File No. S7-16-07). Our comments are limited to the operational and technical aspects of an Electronic Shareowner Forum, as described in Section II.B of the proposing release. Broadridge does not take positions on regulatory policy. Should the Commission ultimately determine that amendments are necessary to Exchange Act Rule 14a-8 and related shareholder disclosures under Schedules 14A and 13G, we would welcome the opportunity to comment on implementation timelines and requirements, based on defined specifications.

Broadridge is a leading global provider of technology-based outsourcing solutions to the financial services industry. Our Investor Communication business assists custodian banks and broker-dealers in fulfilling regulatory obligations related to shareowner communications and proxy voting. We support approximately 13,000 shareowner meetings each year for North American registrants. Our technologies connect operating companies and mutual funds with approximately 90 million shareowner accounts held beneficially at over 850 custodian banks and broker-dealers ("nominees").

We have commented previously on utilization of the Internet for shareowner communications and, specifically, on functionality associated with an Electronic Shareowner Forum ("e-forum"). We believe current technologies and operational processes provided by Broadridge and nominees can accommodate a range of possibilities in facilitating shareowner communications -- not only between shareowners and companies, but also among shareowners. On May 7, of this year, by invitation of the SEC to be a participant in its Proxy Process Roundtables, we provided some ideas that could be pursued using today's technologies. These ideas include using the Internet as a medium for secure, shareowner-to-shareowner communications, with access restricted to eligible shareowners, and using the Internet as a medium for efficient, ongoing interaction between shareowners and issuers.

Several participants in the SEC Proxy Process Roundtables voiced concerns about the potential technical/functional limitations of an e-forum if it were modeled on today's investor "chat rooms." Therefore, we wish to draw a clear distinction between the reality of current "chat rooms," on the one hand, and the functionality that could be provided to support a secure, "shareowners-only" e-forum, on the other. In contrast to typical "chat rooms," an e-forum could include an audit trail and support efforts to create an environment with individual accountability.

In the following examples, we illustrate the central role Broadridge and nominees could play in providing such controls and in administering services that would eliminate some of the technical limitations associated more generally with "chat rooms." We hope these examples demonstrate that the technology

is sufficiently flexible to support evolving shareowner communication needs in a robust, Internet-based environment.

- *Awareness and Access:* The Internet is host to a wealth of information and activity that is often frustratingly difficult to navigate and find. There are countless chat rooms, and many are not relevant to the specific communications needs of issuers and shareowners. Nominees, together with Broadridge, could offer a differentiable alternative to today's chat rooms. Together, Broadridge and nominees provide vast communications networks and recordkeeping infrastructures to facilitate markets and communications among 90 million shareholders and thousands of companies. This infrastructure is being utilized today to electronically deliver proxy voting information, directly connect investors to issuers' filings, and provide the primary means by which shareowners cast their votes. This same infrastructure could be utilized by shareowners and issuers to directly notify investors of the initiation of a specific e-forum site or of new activity on an existing site. Shareowners could be connected directly to the e-forum through nominee online website, Broadridge e-delivery channels, and other electronic means. Such notification could also be made by regular mail, on a rapid turnaround basis, in order to facilitate communications with beneficial shareowners who do not wish to be notified electronically.
- *Ownership Verification ("Investors Only"):* Many of today's chat rooms are open to any visitor who accesses the site. We are not aware of any publicly accessible chat rooms that accurately identify investors' economic interests or bona fides at the front door. In contrast, an e-forum administered by nominees, in conjunction with Broadridge, could verify ownership, together with the number of shares held as of any specific date or dates including but not limited to a record date. Such an e-forum could ensure access only to actual shareowners of a specific issuer. It could also provide an audit trail and support efforts to create an environment with individual accountability. (For shareowner communication and proxy voting purposes, Broadridge has for years assigned a unique 12-digit control number to each position held by a beneficial shareowner. This control-number process ensures that access to proxy voting is limited to actual shareowners of a given issuer. The control-number process is expandable for use with registered shareowners as well.)
- *Filters and Content Controls:* A forum administered by nominees in conjunction with Broadridge could provide high-levels of relevance and decorum. Appropriate filters and pop-up controls could be applied. A consistent navigational 'look and feel' could be provided for each shareowner across all holdings in his or her account. It is possible to assign a unique participant number to each participant in a discussion room and identify comments associated with a participant number. (This is different than a Control Number.) The unique number could accurately reflect the number of shares owned, without disclosing name, address or nominee affiliation. Participants in the forum could choose to filter out, or indeed select, the comments of certain participants on the basis of that participant's unique assigned number or his or her level of shares held.
- *Confidentiality:* Shareowner anonymity could be safeguarded for all shareowners who so desire. Processes are in place today to manage the confidentiality of such information as shareowner name, address, and nominee affiliation.
- *Interactivity:* Shareowners could post comments on an electronic shareowners-only forum. Management could have an option to electronically input its discussion of matters directly on the site.
- *Voting and Tabulation Processes:* Shareowners could be polled on the site or use the site to cast their votes on a secure and confidential basis. Results would be reported using many of the same audit and control procedures that are used today to accurately report results.

We hope the above information is helpful. Broadridge is committed to continually enhancing shareowner communications and proxy voting processes through the application of technology.

Once again, we would like to express our thanks to the SEC for the opportunity to comment on the proposed rules.

Sincerely,

A handwritten signature in cursive script, reading "Richard J. Daly".

The Honorable Christopher Cox, Chairman
The Honorable Paul S. Atkins, Commissioner
The Honorable Kathleen L. Casey, Commissioner
The Honorable Annette L. Nazareth, Commissioner
John White, Director, Division of Corporation Finance
Paula Dubberly, Associate Director, Division of Corporation Finance
Elizabeth Murphy, Chief, Office of Rulemaking, Division of Corporation Finance
Raymond Be, Special Counsel, Office of Rulemaking, Division of Corporation Finance
Lillian Brown, Division of Corporation Finance
Steven Hearne, Division of Corporation Finance
Tamara Brightwell, Division of Corporation Finance